



Emergency Unemployment Compensation & Extended Benefits

*December 2011
Doc. #09-008-I*

What happens if laid-off workers use up their regular unemployment benefits? In Washington, there are two possible options for continuing to pay benefits:

- 1) The Emergency Unemployment Compensation Program was activated by Congress in June 2008 as the recession took hold of the country. It has been extended and expanded several times since then.
- 2) The Extended-Benefits Program is triggered when certain unemployment conditions exist in the state. The federal Department of Labor notified Employment Security in January 2009 that Washington meets those conditions, and the extended benefits became available as of Feb. 15, 2009.

Both benefits programs are scheduled to start phasing out at the end of February 2012. Following is more information about the programs.

People who run out of regular unemployment benefits may receive up to 53 weeks of emergency unemployment benefits

Emergency Unemployment Compensation Program

The Emergency Unemployment Compensation (EUC) Program provides additional unemployment benefits to people who have used all of their regular unemployment benefits. The weekly benefit amount is the same as a claimant's regular unemployment benefits. While some people with old claims qualified for EUC, the benefits were payable beginning July 6, 2008.

EUC benefits are funded 100 percent by the federal government. There is no effect on the state's unemployment trust fund or on employer tax rates. The benefits will not affect employers' experience rating or benefit charges, and we will not bill reimbursable employers (e.g., government agencies, tribes and some non-profits).

EUC is paid 100% by federal government

When Congress approved the program in June 2008, EUC provided up to 13 extra weeks of unemployment benefits in all 50 states. Congress later revised and expanded the program into four "tiers" that, together, provide up to 34 weeks of benefits in all states **plus** another 19 weeks of benefits in states (such as Washington) whose unemployment rates reach specific high-unemployment thresholds.

Phase-out begins in late February 2012

As of December 2009, unemployed workers in this state are potentially eligible for up to 53 weeks of EUC benefits. A person must run out of regular benefits by February 25, 2012, to qualify for any EUC. After March 3, 2012, no one can move onto EUC or advance from one EUC tier to another. Under current law, all EUC payouts end August 11, 2012.

EUC benefits can be paid only through August 11, 2012

EUC eligibility

Unemployed workers qualify for EUC if:

- Their last claim was in Washington; and
- That claim began on or after May 7, 2006; and
- The benefit year on the claim has ended or has no balance left to pay out; and
- The claimant meets base-year earning requirements; and
- The claimant is not eligible for regular benefits in any state, Puerto Rico, the Virgin Islands or the District of Columbia and is not receiving benefits from Canada.

Potentially eligible claimants automatically receive their EUC and extended-benefit applications in the mail

Beginning in July 2010, a person who qualifies for a new unemployment claim, but still has EUC benefits remaining under a claim that expired on or after July 24, 2010, may continue to receive the remainder of his or her EUC benefits if the new claim would pay at least 25 percent or \$100 per week less than EUC.

EUC application process

In July 2008, when the program began, Employment Security mailed paper applications to more than 120,000 potentially eligible claimants. Those who use up their regular benefits after that automatically receive an EUC application to complete.

People who do not automatically receive an EUC application in the mail can get one from a local WorkSource office or by calling the EUC Office (877-558-8509). An online system is not available for **initial** EUC applications, and Employment Security cannot accept faxed applications. However, people can file their **ongoing, weekly** claims for EUC on the Internet (www.esd.wa.gov), by telephone (800-318-6022, option 1) or on paper. The work-search requirements and exceptions to work-search requirements are the same as for regular unemployment benefits.

Extended-Benefits Program

Currently, eligible unemployed workers in Washington may receive up to 20 weeks of “extended benefits.” Here’s how the program works.

Extended benefits provide additional weeks of benefits to people who have received all of their regular unemployment benefits and Emergency Unemployment Compensation. Under state law, up to 13 weeks of extended benefits are payable starting the third week after either of these unemployment-rate “triggers” is met.

- **Option #1: “total unemployment rate.”** If the seasonally adjusted unemployment rate averages at least 6.5 percent over three months **and** is at least 10 percent higher than the same three-month period in either of the last three years; or
- **Option #2: “average insured-unemployment rate.”** For the current week and preceding 12 weeks, if at least 5 percent of insured workers are receiving unemployment benefits **and** that rate is at least 20 percent higher than the 13-week average for the same period in all of the past three years.

The trigger levels are calculated and monitored by the U.S. Department of Labor, which notifies the Governor and the Employment Security Department. In January 2009, Washington was notified that it met the conditions of Option #1 beginning Feb. 15, 2009. In May 2009, after the state’s seasonally adjusted, three-month average unemployment rate reached 8 percent, eligible claimants could receive up to seven additional weeks of extended benefits – **for a total of 20 weeks.**

Extended-benefits application process

Employment Security automatically notifies all potentially eligible claimants on how to apply. People who do not receive an extended-benefits application in the mail can get one from a local WorkSource office or by calling the Extended-Benefits Office (877-558-8509). An online system is not available for **initial** extended-benefits applications, and Employment Security cannot accept faxed applications. However, people can file their **ongoing, weekly** claims for extended benefits on the Internet (www.esd.wa.gov), by telephone (800-318-6022, option 1) or on paper.

Claimants may receive extended benefits only after all regular benefits and EUC benefits have been claimed

Under the Recovery Act, the federal government is paying 100% of extended benefits for most employers

Funding, payouts and eligibility for extended benefits

Funding for extended benefits is usually a 50/50 split between the federal government and the state, so that half of each week's extended benefits come from the state's unemployment trust fund. But starting January 2009, the federal government has paid 100 percent of extended-benefit costs for anyone who begins claiming extended benefits by March 4, 2012 (for former employees of taxable employers); the federal government will fully cover these claims through August 11, 2012, in a state that still meets the eligibility formula. For anyone who begins claiming extended benefits after March 4, 2012, the cost is split equally between the federal government and the state benefits fund.

The weekly extended-benefit amount is the same as people received on their regular unemployment claims. Claimants receiving extended benefits are required to look more rigorously for work. They also must be willing to accept work that pays at least as much as their weekly unemployment benefits (or minimum wage, if higher). Denials of extended benefits are appealable.

Total unemployment benefits potentially available

Currently, most eligible unemployed workers in Washington could receive up to 99 weeks of unemployment benefits if the various economy-related requirements exist. Here's how it potentially adds up.

Up to 99 weeks of unemployment benefits currently available

Benefit program	Time available: Up to...
Regular unemployment benefits	26 weeks*
Emergency unemployment compensation, tier 1 (all states)	20 weeks*
Emergency unemployment compensation, tier 2 (all states)	14 weeks*
Emergency unemployment compensation, tier 3 (states with 6% three-month average unemployment rate)	13 weeks*
Emergency unemployment compensation (states with 8.5% three-month average unemployment rate)	6 weeks*
Extended benefits (first trigger: option #1 or #2 above)	13 weeks*
Additional extended benefits (8% three-month average unemployment rate)	7 weeks*
TOTAL	99 weeks**

* In effect in Washington when fact sheet was published.

** The numbers in the chart assume that a worker receives his/her maximum weekly benefit, is not subject to a cap on base-period wages and is not qualified for a special program (e.g., Trade Act or Training Benefits).

Eligible workers who are accepted into the Training Benefits Program could receive up to another 26 weeks of unemployment benefits, which are paid after emergency unemployment compensation and extended benefits.

Contacts

Sheryl Hutchison, communications director, 360-902-9289
Tammy Fellin, legislative liaison, 360-902-9407